

SENATE BILL REPORT

HB 3220

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, February 28, 2008

Title: An act relating to allowing counties, cities, and towns to conduct raffles under certain terms and conditions.

Brief Description: Allowing counties, cities, and towns to conduct raffles under certain terms and conditions.

Sponsors: Representative Condotta.

Brief History: Passed House: 2/14/08, 95-0.

Committee Activity: Labor, Commerce, Research & Development: 2/28/08 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Holmquist, Ranking Minority Member; King and Murray.

Staff: Kathleen Buchli (786-7488)

Background: Washington's Gambling Act authorizes charitable and nonprofit organizations to conduct raffles to raise funds for the organizations' stated purposes. The organization must be organized for one of the purposes specified in statute which include agricultural, charitable, educational, political, fraternal, or athletic purposes, and meet other requirements.

A raffle may be conducted as a licensed or unlicensed raffle. A license is required if: (1) the gross revenue from all gambling fundraising conducted by the organization is more than \$5,000 per year; (2) tickets are sold by someone other than a member of the organization; (3) tickets are sold at a discount; and (4) in certain other cases. All raffles must meet certain requirements, including maintenance of records.

Credit unions and a group of executive branch state employees are considered nonprofit organizations and may conduct unlicensed raffles under certain conditions.

Summary of Bill: A county, city, or town is considered a nonprofit organization for purposes of organizations authorized to conduct raffles and may conduct licensed or unlicensed raffles so long as the revenue, less prizes and expenses, is used for community activities or tourism promotion activities.

Appropriation: None.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This would allow cities to run raffles for a good cause. This is something they have been doing, but have been alerted recently that they do not have the authority to do so. This would allow them to continue their current activities.

OTHER: If the gross revenue produced by gambling activities is under \$5000, the city will not need a license. In this situation, the city employees participating in the raffle may not be paid. The city would have the same risks as other raffles have, which means they would have to sell enough tickets to cover the costs of the prizes.

Persons Testifying: PRO: Representative Condotta, prime sponsor.

OTHER: Amy Hunter, Washington State Gambling Commission.